

GREG BELL Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

Representatives Present During the Inspection:					
Company	Jay Marshall				
OGM	Pete Hess				

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Inspection Report

Permit Number:	C0070013			
Inspection Type:	PARTIAL			
Inspection Date:	Tuesday, April 05, 2011			
Start Date/Time:	4/5/2011 9:30:00 AM			
End Date/Time:	4/5/2011 2:00:00 PM			
Last Inspection:	Tuesday, March 08, 2011			

Inspector: Pete Hess,

Weather: Clear; 30's to 50's F.
InspectionID Report Number: 2702

Types of Operations

Accepted by: jhelfric 4/12/2011

Permitee: UTAHAMERICAN ENERGY INC Operator: UTAHAMERICAN ENERGY INC

Site: HORSE CANYON MINE

Address: PO BOX 910, EAST CARBON UT 84520-0910

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

7 Total Permitted	5,992.07	
Total Disturbed	42.60	
6 Phase I	51.56	
Phase II	51.56	
Phase III	74.26	

Mineral Ownership

✓ Federal
✓ Underground

✓ State
Surface

✓ County
Loadout

✓ Fee
Processing

Other
Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Inspector's Signature:

Fitte Dess

Date

Tuesday, April 1

DIL. GAS & MINING

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Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcement
1.	Permits, Change, Transfer, Renewal, Sale	~		~	
2.	Signs and Markers	V		Y	
3.	Topsoil	✓		~	
4.a	Hydrologic Balance: Diversions	~			
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	✓			
4.d	Hydrologic Balance: Water Monitoring	✓		V	
4.e	Hydrologic Balance: Effluent Limitations				
5.	Explosives				
6.	Disposal of Excess Spoil, Fills, Benches		~		
7.	Coal Mine Waste, Refuse Piles, Impoundments		V		
8.	Noncoal Waste	✓			
9.	Protection of Fish, Wildlife and Related Environmental Issues	✓		V	
10.	Slides and Other Damage		✓		
11.	Contemporaneous Reclamation		✓		
12.	Backfilling And Grading		✓		
13.	Revegetation	✓		✓	
14.	Subsidence Control	✓		✓	
15.	Cessation of Operations		✓		
16.	a Roads: Construction, Maintenance, Surfacing	✓			
16.b	Roads: Drainage Controls	✓			
17.	Other Transportation Facilities				
18.	Support Facilities, Utility Installations	V			
19.	AVS Check		*		
20.	Air Quality Permit	V		✓	
21.	Bonding and Insurance				
22.	Other	V		V	

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Page 3 of 3

1. Permits, Change, Transfer, Renewal, Sale

The Permittee provided a revised / updated Plate 5-2, SURFACE AREA / Official Disturbed Boundary Map to the Division inspector which shows the temporary facilities which have been installed to date. The Permittee needs to submit this updated map for permit processing.

2. Signs and Markers

Permittee identification signs were posted at each point of access to the mine disturbance from the EC road # 126. All required information is listed.

3. Topsoil

There is no stripping of topsoil occurring at this point in time.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Both sediment ponds were observed as dry; no compliance issues were identified.

4.d Hydrologic Balance: Water Monitoring

The Permittee's water monitoring person notified the Division on March 14, 2011 that the 4th Quarter of 2010 water monitoring data for the Lila Canyon Mine had been uploaded into the DOGM electronic data base pipeline, and it was ready for uploading. As observed this day, there was no flow in either the left or right forks of Lila Creek. All disturbed ditches were dry.

9. Protection of Fish, Wildlife and Related Environmental Issues

No wildlife was observed during today's inspection.

13. Revegetation

The Permittee seeded four areas of inslope at Pond #1 (2 on the north inslope / 2 on the south inslope) on July 22, 2010. This is a requirement established within the MRP to test whether summer seeding will increase establishment of the warm season species. To date, the four areas are not showing any sign of germination. (See Horse Canyon MRP Part B, Section 341.300, page 26, and Section 354, page 28).

14. Subsidence Control

At this time, secondary extraction is not occurring within the underground works.

20. Air Quality Permit

The portal access road had recently been watered in order to control dust.

22. Other

Two small fuel spills were observed at the bulk tanks fueling facility located along the portal access road. The Permittee was instructed to clean up the contaminated soils.